

SECRET

file 13 25X1

NATIONAL FOREIGN ASSESSMENT CENTER

WASHINGTON, D. C. 20505

NFAC 2867-81

Director

14 MAR. 1981

MEMORANDUM FOR: Deputy Director of Central Intelligence  
 SUBJECT : NFAC's Utilization of University Resources  
 REFERENCE : Memorandum to you from [redacted]  
 Re: CIA Utilization of University Resources  
 Dated 24 February 1981

25X1

25X1

25X1

1. NFAC has an active program to promote academic relations. In general we are in agreement with [redacted] specific recommendations, many of which track closely with elements of CIA's ongoing academic relations program. [redacted]

25X1

25X1

2. The appendix to this memorandum outlines in detail NFAC's use of university resources. It addresses the issues raised in [redacted] memo, though in a somewhat different order. [redacted]

25X1

3. In summary:

--Although we have usefully applied social science methodologies used in academia, we

THIS MEMORANDUM MAY BE DOWNGRADED  
 TO CONFIDENTIAL WHEN SEPARATED  
 FROM ATTACHMENTS

25X1

SECRET

SECRET

25X1

remain unpersuaded of their general applicability in the area of political analysis. We believe that academics share this reservation with us. We continue to examine new options.

- We commit substantial resources to the development and application of new methodologies to scientific, military, and economic problems. We are likely well ahead of academia in these areas.
- We keep a sharp eye on methodological developments in the academic community through participation and attendance at conferences, symposia, and workshops throughout the country.
- We recognize that we have weaknesses. In particular, we lack depth in specific areas, and we have tried to address this problem in FY 81-87 by targeted growth, by using research planning and production management innovations, and by setting goals to strengthen our contractual relationships with the academic community in the economic, geographic and political areas of our research.
- The "problem of consensus" remains an important issue in any debate on the quality of intelligence analysis. We believe consensus to be a vice when:
  - a) it masks uncertainty in order to proffer a "net" judgment that appears to be strongly held; and
  - b) it suppresses a well-reasoned alternative view that is not held by the majority.

Consensus is a virtue when it adds legitimate weight to an Intelligence Community view and legitimately diminishes doubt or sharpens focus.

- In general, the NFAC-university relationship in 1981 is one of mutual support. The academic community is an important reservoir

SECRET

25X1

of talent that we use to complement in-house capabilities, to provide independent critiques of our product, and from which we recruit the majority of our analytic staff. We intend to strengthen the connection in every appropriate way. [REDACTED]

25X1

/s/ JOHN N. McMAHON

John McMahon

## APPENDIX

## NFAC Utilization of University Resources

Development of Analytical Methodologies

25X1

Work that [ ] describes as "basic research and development of new tools, techniques, and methods that may ultimately be of benefit in the national security area" is being done for NFAC primarily in-house in cooperation with DDS&T/ORD. ORD examines specific NFAC requirements and attempts to develop useful systems or methodologies. In addition, ORD investigates the use of more generally applicable analytical methods. One such initiative is the establishment of an intelligence production laboratory, to be funded beginning in FY 1982. It will build formal analytical techniques, supporting computer-based tools, and help to train analysts in their use. Clearly, this endeavor is speculative, but the potential benefit is very high. (C)

25X1

In his discussion of NFAC's use of analytical methodologies, [ ] is undoubtedly addressing himself primarily to political analysis. He is generally correct about the time lag between the development of new social science methodologies in the academic community and their widespread use in the Intelligence Community. This occurs because:

- 1) In the academic community, initial publications on new methodologies debate their validity and utility, usually apart from substance, and the Intelligence Community has taken no role in this debate.
- 2) Quick turnaround requirements for intelligence frequently preclude the use of time-consuming quantitative methods.
- 3) Many accomplished analysts, like many university faculty members, were trained before the wide-spread use in the social sciences of innovative analytical techniques.

25X1

SECRET

- 4) Especially in the non-S&T areas, intelligence analysts write for consumers who, for the most part, have not been trained in new methodological techniques. They are often skeptical of "systems" answers. We must use methodology with some care in our assessments.
- 5) There is no general agreement in academia or in NFAC over the usefulness of these methodologies in political analysis. Some of our experiments with the quantitative methodologies frankly have been disappointing.

25X1

We do carefully monitor developments in academia and elsewhere in a continuing effort to improve the quality of analysis. In all of our offices, we regularly use many different

25X1

With the assistance of ORD and sometimes external contractors outside the university environment, NFAC has developed unique and highly successful methodologies tailored to our own analytic requirements. These have focused mainly on non-political problems, but the results often form part of the multidisciplinary analysis of highly complex issues. Several such methodologies are:

25X1

25X1



25X1

[ ] is correct in saying that the best way to overcome methodological lag is to hire young analysts who are trained methodologists. To date, however, there are very few individuals who have both methodological training and substantive knowledge of a foreign area or country. Less than five percent of the respondents to OPA's recruitment advertisements are sufficiently expert in both fields. This notwithstanding, OPA plans to increase the size of its methodology unit by three people in FY 1983 to better support political analysis and societal change research. [ ]

25X1

Other efforts to improve our capabilities in the use of various quantitative and non-quantitative methodologies involve providing existing political and social scientists and economists a wide variety of in-house training courses. These are:

- (1) Introduction to Analysis, including an introduction to significant analytical methodologies;
- (2) Applied Analytic Techniques, including information science techniques useful in structuring and assessing complex, interdisciplinary problems involving soft data and problems that involve hard data;
- (3) Basic Computation in Empirical Economic Studies;
- (4) Introduction to Regression Analyses;
- (5) Macroeconomic Modeling;
- (6) Systems Dynamics and Applications;
- (7) Decision Analysis; and
- (8) Seminar on Intelligence Analysis, aimed at more experienced analysts who need exposure to alternative analytical approaches. [ ]

25X1

In addition, NFAC analysts are invited to attend seminars organized by ORD to learn about new methodologies and techniques for economic, political, and military analysis and about information processing techniques of general interest to the intelligence production process. [ ]

25X1

SECRET [ ]

25X1

A Base of Substantive Expertise

25X1

[ ] is overstating the case when he claims that "analysts with little or no 'country' experience are pressed into service when requirements change as a result of crises and shifting interests." In three of NFAC's production offices, there is a relatively high correlation between analysts' current assignments and at least their undergraduate if not graduate degrees. In OER, 94% of the analysts have degrees in fields closely related to their present job and of these, 68% have completed graduate work in related fields; in OPA, 75% have degrees or majors in areas closely related to their current assignments. In OSR, 69% of the analysts have done undergraduate degree work in a field related to their assignment, and of these, 56% have done related graduate work. [ ]

25X1

Crises are handled by task forces comprised of knowledgeable area and country analysts. When circumstances require a 24-hour, seven-day week operation, the experts are supplemented with promising junior analysts who may or may not be area specialists but whose responsibilities are entirely reportorial. Under the supervision of experts, junior analysts gist information as it comes into the task force area. They are able to gain valuable experience working under highly time-sensitive and critical conditions without having to shoulder the analytic burden of their more seasoned colleagues. [ ]

25X1

25X1

[ ] observation regarding the need to improve analyst language skills has been addressed by a specific NFAC goal since the late 1970's. We are offering incentives to achieve and maintain such skills, and we are continually recruiting and training against this requirement. [ ]

25X1

25X1

We agree with [ ] suggestion that our substantive base on the Third World has been weak. By FY 1979, we had begun a systematic effort to build a more comprehensive capability, and we have adjusted our research planning and organizational structure in this area, as well. The 1981 Research Plan shows enhanced effort on key issues in the Third World. [ ]

25X1

25X1

[ ] recommendation that we select and clear several academic experts in a given area to first critique and then author some of our products including IRs, NIEs, weekly reviews or NID pieces is interesting. Turnaround time and constant monitoring of traffic probably preclude effective ad hoc contract work on current intelligence products such as the NID. We already use cleared consultants to review IRs and NIEs. The NIC is currently attempting, with some success, to enlist the direct participation of academic experts as staff officers, serving on two- to three-year assignments as NIOs, Assistant NIOs, or estimates drafting officers. To date, three of its 13 NIOs and four of the 13 estimates officers have been drawn directly from the academic community. [ ]

25X1

SECRET [ ]

25X1

"CONSENSUS"

25X1A

[ ] In terms of the perennial "problem" of "consensus" products, [ ] seems to assume that consensus is always a vice. Consensus is a vice when it masks uncertainty or when it erroneously asks the consumer to accept a particular conclusion as the only one possible. When this has occurred, it has been the result both of the way in which consumer requirements have been formulated and our own zeal to get the job done. We have been trying to move away from the seeking of consensus toward the examination and portrayal of evidence and its significance in as clear a way as possible. Rather than forcing consensus, we are striving to judiciously and lucidly reflect both the judgments of the majority and well reasoned alternative views. Consensus can be a virtue, however. It can add legitimate weight to a view and can truly represent a strongly held collective belief. Even when it occurs, change in the "consensus-seeking" process will not necessarily be immediately perceived by those outside the intelligence and policy community. Beliefs about the problems of analysis change very slowly.

The University-NFAC Relationship

NFAC's efforts to tap relevant expertise and acquire pertinent information available outside of the Intelligence Community take a variety of forms. Our goal is to locate the best resources available, whether they be in academia, industry/private business, or non-intelligence related elements of the US Government. The academic community, in particular, provides us:

- a complement to in-house capabilities in specialized fields, or inputs which serve as building blocks for further research;
- new insights into problems of mutual concern;
- a rigorous critique of many of our products;
- a primary pool from which to recruit staff;  
and
- alternative analytical approaches. [ ]

25X1

In general, NFAC's current relationship with academia can be described as one of mutual respect and support, following a period during the 1970s in which anti-CIA ferment on many college campuses precluded our efforts to foster cooperation. Through NFAC's Coordinator for Academic Relations, we have sought to solidify established relationships and to forge new ones. In order to maximize the use of university resources, NFAC participates in a variety of Agency programs, institutionalized, ad hoc, formal and informal. These include:

SECRET [ ]

25X1



- the extensive use of consultants from academia to review national estimates, intelligence assessments, and ad hoc publications;
- the letting of research contracts to individual scholars and occasionally to universities and colleges;
- the scholar-in-residence program, begun in 1975, whereby distinguished academicians join the analytical staff of a production office for one to two years during which time they generate publications and critique our work;
- organizing and/or participating in seminars, symposia, and meetings in which academics are invited to present a paper, join a discussion, or critique an in-house effort;
- sponsoring analysts' part-time academic training to keep their skills up-to-date;
- significant reliance on open source publications generated by the academic community as an important ingredient of any research project;
- the newly developed Advanced Analyst Development Program, which provides resources for five analysts to combine full-time academic study with overseas experience;
- the summer intern program whereby selected graduate students alternate course work with on-the-job experience in the analytic production process;
- providing analysts to speak on substantive topics of interest to selected academic groups either at Headquarters or on a university campus. [REDACTED]

25X1

To be even more specific, NFAC's overtures to the academic community in non-scientific areas have intensified with the creation in late FY 1980 of OGSR's Social Science Research Division. Efforts to engage scholars to assist us in structuring a program, to offer their insights either through formal or informal seminars and discussions, and to critique the Division's products have, for the most part, been highly successful. Distinguished theoreticians have been useful in recommending methodologies most compatible with our goals; experts on specific topics have provided insights into problems of mutual concern.

[REDACTED]

25X1

SECRET [REDACTED]

25X1

25X1

25X1

25X1

SECRET

**Page Denied**